

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re

CITY OF DETROIT, MICHIGAN,

Debtor.

Chapter 9

Case No. 13-53846

Hon. Steven W. Rhodes

**RETIREE COMMITTEE'S RESPONSE TO
THE MAY 29, 2014 MINUTE ENTRY CONCERNING
DISCOVERY AND TRIAL PRESENTATION ISSUES**

The Official Committee of Retirees of the City of Detroit, Michigan (the "Committee") hereby files its response to the Court's May 29, 2014 Minute Entry concerning discovery and trial presentation issues.

1. On May 29, 2014, the Court issued a Minute Entry that directed the Discovery and Trial Efficiency Committee ("DTEC") to file a report with the Court by June 6, 2014, identifying areas of agreement and disagreement concerning the discovery process and providing information on proposed time allotments for the respective parties' trial presentation.

2. The Committee has reached an agreement in principal with the City contingent on: (a) certain funding commitments being made by June 20, 2014, and (b) members of Classes 10, 11 and 12 voting in favor of the Plan. Depending on whether the State, DIA and Foundations satisfy their agreed funding commitments and the retirees vote in favor of the Plan, the Committee could be either supporting or opposing the Plan.

3. Therefore, until at least June 20, and perhaps not until the voting results are known, the Committee will remain in a difficult position with respect to discovery and trial planning.

The May 9, 2014 Order and Stipulation

4. Until the outcomes of the funding efforts and voting process are known, the Committee cannot identify with precision its discovery needs or what level of participation in depositions will be required.

5. The Committee's conditional position is reflected in the Court's Order approving the May 9, 2014 Stipulation between the City, the Retiree Committee and certain other entities, which provides for different filing and discovery deadlines for the Committee, depending on the results of funding and Class 10 and 11 voting.

6. The Committee's right to participate in depositions are governed by the Order and Stipulation and the discovery protocol should not impact or otherwise impair those rights.

7. At the Committee's request, the objecting members of the DTEC ("Objectors") included a footnote in their proposed protocol recognizing that the Committee's deposition rights are governed by the Stipulation, and are not affected or impaired by the proposed protocol. The footnote provides that nothing in the protocol shall be construed to restrict, limit or otherwise affect the rights of the Committee (and other settling groups) to conduct or participate in any depositions, as set forth in the May 9, 2014 Stipulation.

8. The Committee requests the Court to include in any ordered protocol similar language which protects the Committee's rights to participate in the depositions as set forth in the May 9, 2014 Order and Stipulation.

The Committee's Requested Allotment of Trial Time

9. Until the outcome of the funding efforts and voting process are known, the Committee also cannot identify with certainty how much time it will need to present its case for

trial. The exact amount of time will depend on whether the Committee is opposing or supporting the Plan.

10. The Committee has informed the City and the Objectors that it estimates it will need an allotment of 15 hours of trial time if the Committee is supporting confirmation of the Plan with respect to Classes 10, 11 and 12 (if the funding commitments are satisfied and the Classes, 10, 11 and 12 vote in favor of the Plan). This limited amount of time is necessary to present evidence that is unique to the retirees.

11. If either the funding commitment or the Class 10 and 11 voting conditions are not timely satisfied, the Committee estimates it will need 35 hours of trial time to present its evidence opposing a cram down scenario. In that event, the retirees would be providing evidence in opposition to the Plan that is unique to the retirees and the more than \$9 billion in claims held by them.

12. The Committee disclosed these proposed trial allotments of time to the City and the Objectors. The City and the Objectors requested the Committee to file a separate statement responding to the Court's May 29 Minute Entry and identifying these proposed allotments. The Committee makes this filing pursuant to their requests.

13. The Committee commits to the Court that: (a) it will present its evidence in as efficient and streamlined a basis as possible, and will coordinate with the City or the Objectors as the case may be, and (b) irrespective of its support or opposition to the Plan, it will not simply repeat other parties' evidence for purposes of record preservation. However, to address issues unique to the retirees and their interests in the City's Plan of Adjustment, the Committee believes the requested trial time is reasonable and necessary.

The Voting Deadlines

14. Additionally, it is important to the Committee that the voting deadlines for Classes 10, 11 and 12 set forth in the now-controlling scheduling order remain unchanged. This is necessary to avoid causing confusion to the retirees and to protect the Committee's ability to conduct and complete discovery if the retirees vote against the Plan.

15. After the Objectors and City filed requests for new scheduling orders this week, the Committee raised this issue with the Objectors, who clarified in their statement filed today that they are not asking the Court to move the voting deadline for Classes 10, 11 and 12.

Dated: June 6, 2014

Respectfully submitted,

By: /s/ Claude Montgomery

By: /s/ Sam Albert

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CERTIFICATE OF SERVICE

I, Claude Montgomery, hereby certify that on June 6, 2014, the foregoing Retiree Committee's Response to the May 29, 2014 Minute Entry Concerning Discovery and Trial Presentation Issues was filed and served using the Court's CM/ECF system which provides electronic notification of such filings to all counsel of record.

By: /s/ Claude Montgomery
Claude Montgomery